

NEWS RELEASE



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For immediate release

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METHANEX REPORTS FIRST QUARTER 2019 RESULTS AND INCREASES DIVIDEND BY 9%

VANCOUVER, BRITISH COLUMBIA - For the first quarter of 2019, Methanex (TSX:MX) (NASDAQ:MEOH) reported net income attributable to Methanex shareholders of \$38 million (\$0.50 per common share on a diluted basis) compared to net income of \$161 million (\$1.68 per common share on a diluted basis) in the fourth quarter of 2018. Adjusted EBITDA for the first quarter of 2019 was \$194 million and Adjusted net income was \$56 million (\$0.73 per common share). These results include the impact of IFRS 16, a substantial change to lease accounting standards. Excluding the impact of IFRS 16, Adjusted EBITDA would have been \$166 million in the first quarter of 2019. This compares with Adjusted EBITDA of \$197 million and Adjusted net income of \$90 million (\$1.15 per common share) for the fourth quarter of 2018.

John Floren, President and CEO of Methanex, commented, "The lower Adjusted EBITDA and earnings in the first quarter primarily reflects lower average realized prices compared to the last quarter which was partially offset by higher sales of Methanex-produced methanol. In addition, in a declining price environment, our margins tend to be lower than in a stable price environment due to inventory timing differences. Our average realized methanol price decreased by \$70 per tonne in the quarter to \$331 per tonne, which compares to \$401 per tonne realized in the fourth quarter. We were pleased to see methanol pricing stabilize, supported by steady demand combined with a number of supply outages globally."

"In the quarter, we successfully completed our first major turnaround at our Geismar 1 facility and subsequently achieved a daily production record from the plant. We continued our long track record of returning excess cash to shareholders by returning \$31 million through our regular dividend and share repurchases. On March 18, 2019, we commenced a normal course issuer bid to purchase up to 3,863,298 common shares. To March 31, 2019, we have repurchased 99,893 common shares for \$5.8 million. In addition, I am pleased to announce that the Board of Directors has approved a 9% increase to the quarterly dividend to shareholders, to \$0.36 per share from \$0.33 per share."

"We have \$285 million of cash on hand at the end of the first quarter, a committed revolving credit facility, and a robust balance sheet. The strategic investments we have made in our business have strengthened our asset base, significantly increased our global production capacity, enhanced our ability to serve customers and substantially improved our earnings capabilities and cash generation potential over a wide range of methanol prices.

"Our balanced approach to capital allocation remains unchanged. We believe we are well positioned to meet our financial commitments, pursue our growth opportunities and deliver on our commitment to return excess cash to shareholders through dividends and share repurchases," Floren said.

FURTHER INFORMATION

The information set forth in this news release summarizes Methanex's key financial and operational data for the first quarter of 2019. It is not a complete source of information for readers and is not in any way a substitute for reading the first quarter 2019 Management's Discussion and Analysis ("MD&A") dated April 24, 2019 and the unaudited condensed consolidated interim financial statements for the period ended March 31, 2019, both of which are available from the Investor Relations section of our website at www.methanex.com. The MD&A and the unaudited condensed consolidated interim financial statements for the period ended March 31, 2019 are also available on the Canadian Securities Administrators' SEDAR website at www.sedar.com and on the United States Securities and Exchange Commission's EDGAR website at www.sec.gov.

FINANCIAL AND OPERATIONAL DATA

	Three Months Ended		
	Mar 31 2019	Dec 31 2018	Mar 31 2018
<i>(\$ millions except per share amounts and where noted)</i>			
Production (thousands of tonnes) (attributable to Methanex shareholders)	1,808	1,885	1,943
Sales volume (thousands of tonnes)			
Methanex-produced methanol	1,921	1,599	1,884
Purchased methanol	473	908	613
Commission sales	329	245	321
Total sales volume ¹	2,723	2,752	2,818
Methanex average non-discounted posted price (\$ per tonne) ²	392	487	475
Average realized price (\$ per tonne) ³	331	401	402
Revenue	733	977	962
Adjusted revenue	800	1,008	987
Adjusted EBITDA	194	197	306
Cash flows from operating activities	213	218	245
Adjusted net income	56	90	171
Net income (attributable to Methanex shareholders)	38	161	169
Adjusted net income per common share	0.73	1.15	2.03
Basic net income per common share	0.50	2.07	2.02
Diluted net income per common share	0.50	1.68	2.00
Common share information (millions of shares)			
Weighted average number of common shares	77	78	84
Diluted weighted average number of common shares	77	78	84
Number of common shares outstanding, end of period	77	77	83

¹ Methanex-produced methanol represents our equity share of volume produced at our facilities and excludes volume marketed on a commission basis related to the 36.9% of the Atlas facility and 50% of the Egypt facility that we do not own. Methanex-produced methanol includes any volume produced by Chile using natural gas supplied from Argentina under a tolling arrangement ("TollingVolume"). There was no TollingVolume produced in the first quarter of 2019 or the fourth quarter of 2018. There was 40,000 MT of TollingVolume in the first quarter of 2018.

² Methanex average non-discounted posted price represents the average of our non-discounted posted prices in North America, Europe and Asia Pacific weighted by sales volume. Current and historical pricing information is available at www.methanex.com.

³ Average realized price is calculated as revenue, excluding commissions earned and the Egypt non-controlling interest share of revenue, but including an amount representing our share of Atlas revenue, divided by the total sales volume of Methanex-produced and purchased methanol, but excluding TollingVolume.

A reconciliation from net income attributable to Methanex shareholders to Adjusted net income and the calculation of Adjusted net income per common share is as follows:

(\$ millions except number of shares and per share amounts)	Three Months Ended		
	Mar 31 2019	Dec 31 2018	Mar 31 2018
Net income (attributable to Methanex shareholders)	\$ 38	\$ 161	\$ 169
Mark-to-market impact of share-based compensation, net of tax	18	(71)	2
Adjusted net income	\$ 56	\$ 90	\$ 171
Diluted weighted average shares outstanding (millions)	77	78	84
Adjusted net income per common share	\$ 0.73	\$ 1.15	\$ 2.03

- As at January 1, 2019 we adopted a new accounting standard, IFRS 16 *Leases* ("IFRS 16"), using the modified retrospective adoption approach. As a result of this method of adoption, the figures for Q1 2019 reflect the adoption of the standard, while the comparable periods presented are not restated. The adoption of IFRS 16 results in higher Adjusted EBITDA for Q1 2019 by \$28 million due to changes in the recognition and classification of lease costs from cost of sales to depreciation and amortization (\$24 million) and finance costs (\$5 million), but has a minimal impact on net income attributable to Methanex shareholders and Adjusted net income. The adoption of IFRS 16 has no net cash impact. Refer to the *Adoption of New Accounting Standards* section on page 14.
- We recorded net income attributable to Methanex shareholders of \$38 million during the first quarter of 2019 compared to net income of \$161 million in the fourth quarter of 2018. The decrease in earnings is primarily due to a decrease in our average realized methanol price, partially offset by an increase in sales of Methanex-produced methanol during the first quarter and the change in the mark-to-market impact of share-based compensation.
- We recorded Adjusted EBITDA of \$194 million for the first quarter of 2019 compared with \$197 million for the fourth quarter of 2018. Adjusted EBITDA for the first quarter of 2019 includes the adoption of IFRS 16 which increased Adjusted EBITDA for the first quarter of 2019 by \$28 million. Excluding the impact of the adoption of IFRS 16, Adjusted EBITDA for the first quarter of 2019 would be lower by \$31 million compared to the fourth quarter of 2018. The decrease in Adjusted EBITDA excluding the impact of IFRS 16 is primarily due to the decrease in our average realized methanol price, partially offset by an increase in sales of Methanex-produced methanol.
- Adjusted net income was \$56 million for the first quarter of 2019 compared to Adjusted net income of \$90 million for the fourth quarter of 2018. The decrease in Adjusted net income is primarily due to a decrease in average realized price to \$331 per tonne for the first quarter of 2019 from \$401 per tonne for the fourth quarter of 2018, partially offset by an increase in sales of Methanex-produced methanol.
- We produced 1,808,000 tonnes in the first quarter of 2019 compared to 1,885,000 tonnes for the fourth quarter of 2018.
- Total sales volume for the first quarter of 2019 was 2,723,000 tonnes compared with 2,752,000 tonnes for the fourth quarter of 2018. Sales of Methanex-produced methanol were 1,921,000 tonnes in the first quarter of 2019 compared with 1,599,000 tonnes in the fourth quarter of 2018.
- On March 18, 2019 we commenced a normal course issuer bid to purchase up to 3,863,298 common shares. To March 31, 2019, we have repurchased 99,893 common shares for \$5.8 million.
- During the first quarter of 2019 we paid a \$0.33 per common share quarterly dividend to shareholders for a total of \$25 million.
- We announced today that the Board of Directors has approved a 9% increase to our quarterly dividend to shareholders, from \$0.33 per share per quarter to \$0.36 per share per quarter.
- We continue to make good progress on a potential Geismar 3 production facility. We continue to expect to spend approximately \$50 to \$60 million on this project prior to reaching a final investment decision with the remaining approximately \$35 million to be spent in the second quarter of 2019. We believe that the potential Geismar 3 project would be advantaged relative to other projects being contemplated or under construction in the US Gulf.

PRODUCTION HIGHLIGHTS

<i>(thousands of tonnes)</i>	Q1 2019		Q4 2018	Q1 2018
	Operating Capacity ¹	Production	Production	Production
New Zealand ²	608	437	389	487
USA (Geismar)	500	405	527	513
Trinidad (Methanex interest) ³	500	429	448	459
Chile ⁴	430	241	206	166
Egypt (50% interest)	158	141	155	165
Canada (Medicine Hat)	150	155	160	153
	2,346	1,808	1,885	1,943

¹ Operating capacity includes only those facilities which are currently capable of operating, but excludes any portion of an asset that is underutilized due to a lack of natural gas feedstock over a prolonged period of time. The operating capacity of our production facilities may be higher than original nameplate capacity as, over time, these figures have been adjusted to reflect ongoing operating efficiencies at these facilities. Actual production for a facility in any given year may be higher or lower than operating capacity due to a number of factors, including natural gas composition or the age of the facility's catalyst.

² The operating capacity of New Zealand is made up of the two Motunui facilities and the Waitara Valley facility.

³ The operating capacity of Trinidad is made up of the Titan (100% interest) and Atlas (63.1% interest) facilities.

⁴ The operating capacity of our Chile I and IV facilities is 1.7 million tonnes annually assuming access to natural gas feedstock. For 2018, our operating capacity in Chile was 0.9 million tonnes. In the fourth quarter of 2018 we restarted our 0.8 million tonne Chile IV plant that had been idle since 2007.

Key production and operational highlights during the first quarter include:

- New Zealand produced 437,000 tonnes compared with 389,000 tonnes in the fourth quarter of 2018. Production in the first quarter of 2019 is higher than the fourth quarter of 2018 as our Waitara Valley site undertook a scheduled turnaround in the fourth quarter of 2018 and returned to operations in early January. Overall, production for New Zealand continues to experience gas constraints, primarily as a result of natural gas suppliers completing planned and unplanned maintenance activities. We expect these upstream maintenance activities to continue in the second quarter.
- Geismar produced 405,000 tonnes during the first quarter of 2019 compared to 527,000 tonnes during the fourth quarter of 2018. Production in Geismar for the first quarter of 2019 is lower than the fourth quarter of 2018 due to a scheduled turnaround of the Geismar 1 plant completed in the quarter.
- Trinidad produced 429,000 tonnes (Methanex interest) compared with 448,000 tonnes in the fourth quarter of 2018. Production in Trinidad is lower in the first quarter of 2019 compared to the fourth quarter of 2018 primarily as a result of a scheduled turnaround of the Titan plant that commenced in March 2019. The turnaround is scheduled to complete by the end of April 2019. Additionally, we continue to experience gas curtailments in Trinidad.
- The Chile facilities, Chile I and IV, produced 241,000 tonnes during the first quarter of 2019 from a combination of Chile and Argentina sourced natural gas with Chile IV production experiencing a few minor technical issues during the quarter. This compares to 206,000 tonnes during the fourth quarter of 2018.
- The Egypt facility produced 141,000 tonnes (Methanex interest - 141,000 tonnes) in the first quarter of 2019 compared with 155,000 tonnes (Methanex interest - 155,000 tonnes) in the fourth quarter of 2018. Mechanical issues experienced during the quarter resulted in lower production for the first quarter of 2019 compared to the fourth quarter of 2018. On April 9th, the Egypt facility experienced an outage and the plant remains off-line. We expect limited production from the Egypt facility for the second quarter of 2019 as repairs are made.
- Medicine Hat produced 155,000 tonnes during the first quarter of 2019 compared to 160,000 tonnes in the fourth quarter of 2018.

CONFERENCE CALL

A conference call is scheduled for April 25, 2019 at 12:00 noon ET (9:00 am PT) to review these first quarter results. To access the call, dial the conferencing operator ten minutes prior to the start of the call at (416) 340-2216, or toll free at (800) 273-9672. A simultaneous audio-only webcast of the conference call can be accessed from our website at www.methanex.com and will also be available following the call. A playback version of the conference call will be available until May 9, 2019 at (905) 694-9451, or toll free at (800) 408-3053. The passcode for the playback version is 8039337#.

ABOUT METHANEX

Methanex is a Vancouver-based, publicly traded company and is the world's largest producer and supplier of methanol to major international markets. Methanex shares are listed for trading on the Toronto Stock Exchange in Canada under the trading symbol "MX" and on the NASDAQ Global Market in the United States under the trading symbol "MEOH".

FORWARD-LOOKING INFORMATION WARNING

This first quarter 2019 press release contains forward-looking statements with respect to us and the chemical industry. By its nature, forward-looking information is subject to numerous risks and uncertainties, some of which are beyond the Company's control. Readers are cautioned that undue reliance should not be placed on forward-looking information as actual results may vary materially from the forward-looking information. Methanex does not undertake to update, correct or revise any forward-looking information as a result of any new information, future events or otherwise, except as may be required by applicable law. Refer to Forward-Looking Information Warning in the first quarter 2019 Management's Discussion and Analysis for more information which is available from the Investor Relations section of our website at www.methanex.com, the Canadian Securities Administrators' SEDAR website at www.sedar.com and on the United States Securities and Exchange Commission's EDGAR website at www.sec.gov.

NON-GAAP MEASURES

The Company has used the terms Adjusted EBITDA, Adjusted net income, Adjusted net income per common share, Adjusted revenue and operating income throughout this document. These items are non-GAAP measures that do not have any standardized meaning prescribed by GAAP. These measures represent the amounts that are attributable to Methanex Corporation shareholders and are calculated by excluding the mark-to-market impact of share-based compensation as a result of changes in our share price and the impact of certain items associated with specific identified events. Refer to Additional Information - Supplemental Non-GAAP measures on page 15 of the Company's MD&A for the period ended March 31, 2019 for reconciliations to the most comparable GAAP measures. Unless otherwise indicated, the financial information presented in this release is prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

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